

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 2, 2015 / 2016

BMG 3024 CROSS CULTURAL MANAGEMENT

(All Sections / Groups)

2 MARCH 2016
2.30 p.m – 4.30 p.m
(2 Hours)

INSTRUCTIONS TO STUDENTS

This examination paper consists of **SIX (6)** pages in **TWO (2)** Sections:

1. **Section A** – 20 Multiple choice questions (40 marks)

Instruction: Answer **ALL** questions. Shade your answers in the OMR answer sheet provided using a '**2B**' or '**BB**' pencil.

2. **Section B** – 5 Essay questions (60 marks) – All questions carry equal marks.

Instruction: Answer **ANY THREE (3)** questions. Write your answers in the answer booklet provided.

SECTION A (40 Marks)**Answer ALL questions**

Identify the letter of the choice that best completes the statement or answers the question.

All questions carry two (2) marks each.

Shade your choice of answers in the OMR answer sheet provided.

1. _____ results from the lessening of trade barriers and the increased flow of goods and services, capital, labor, and technology around the world.
 - A. Mercantilism
 - B. Protectionism
 - C. Nationalization
 - D. Economic integration

2. The government of Jonovia seizes all assets of Refresh, a world-famous, soft-drink brand in Jonovia, without offering any compensation to the company. This action by the government of Jonovia is an example of _____.
 - A. repatriation
 - B. privatization
 - C. confiscation
 - D. private action

3. In addition to avoidance and adaptation, two other means of risk reduction available to managers are _____ and _____.
 - A. dependency; hedging
 - B. checklisting; blocklisting
 - C. protectionist approach; stability approach
 - D. qualitative approach; quantitative approach

4. The appropriability of technology is best defined as _____.
 - A. the likelihood that a firm's technology will generate long-term debts
 - B. the potential of a firm's technology to become obsolete within a few years
 - C. the degree of ease with which new technology can be learned and used by host-nation employees
 - D. the ability of a firm to protect its technology from competitors and to profit from that technology

5. International managers can benefit greatly from cultural sensitivity because it _____.
 - A. enables them to develop appropriate policies
 - B. helps them protect the organization from outside influences
 - C. enables them to understand cultures better, by using stereotypes
 - D. helps them increase the long-term orientation of the organization

Continued.....

6. According to contingency management, international managers need to _____.
 - A. provide training to locals before transferring new technology
 - B. adapt their management styles to the local setting and people
 - C. determine the extent to which locals will accept unequal power
 - D. transfer home-country business practices to the local environment

7. In which of the following countries would an autocratic style of leadership be most effective?
 - A. Humane-oriented countries
 - B. Low power distance countries
 - C. High power distance countries
 - D. High performance-oriented countries

8. Based on Hofstede's value dimensions, countries that have strict laws and procedures to which their people adhere closely most likely have _____.
 - A. high masculinity
 - B. high individualism
 - C. high power distance
 - D. high uncertainty avoidance

9. When preparing for cross-cultural negotiations, managers should first evaluate their own negotiation styles in order to _____.
 - A. assess all social and cognitive influences
 - B. analyze the various stages of the negotiation process
 - C. determine how they differ from the norm in other countries
 - D. understand the reasons for failing or succeeding in domestic negotiations

10. Which of the following serves as a bridge from relationship building to the more formal stages of negotiating?
 - A. Posturing
 - B. Mediating
 - C. Conceding
 - D. Evaluating

11. Which of the following is most likely to be true about negotiators in the Far East?
 - A. Negotiators avoid building informal relationships.
 - B. Negotiators are particular about formal contracts and insist on specific clauses.
 - C. Negotiators approach issues in a holistic manner, deciding on the whole deal at the end.
 - D. Negotiators begin the discussions by pointing out proposals that they are prepared to accept.

Continued.....

12. Linda, the operations executive for Tango, is asked to travel to China in order to set up a new operational facility. When negotiating with the Chinese investors, Linda should _____.
- A. be aggressive
 - B. be quick in decision making and confront problems directly
 - C. be direct and explicit when conveying information , as time is of immense value
 - D. be focused on establishing long-term, trusting relationships, even at the expense of some immediate returns
13. Which of the following is the most beneficial aspect of an international joint venture?
- A. The international partner receives the entire profit
 - B. The partner's local contacts and markets will be utilized
 - C. The entire cost of production will be borne by the local partner
 - D. The responsibility of risks is solely taken by the international partner
14. Globe Cars, a leading automobile ancillary firm in China, has decided to form a global alliance with Fulda, a German tire manufacturing company. Which of the following is a primary challenge that Globe Cars is most likely to face in this alliance?
- A. Risk of investment
 - B. Existing competitors
 - C. Differences in national cultures
 - D. Extreme trade barriers in China
15. Which of the following most likely provides a strategic advantage during the implementation of a global alliance?
- A. Unified technology infrastructure
 - B. Centralized decision making by one partner
 - C. High levels of competition between the partners
 - D. Non-collaboration in competitively sensitive areas
16. International joint ventures are like a marriage because _____.
- A. each firm will have equal decision-making powers
 - B. the firms cannot be separated into single entities after the merging
 - C. the more issues that can be settled before the merger, the less likely it will be to break up
 - D. each firm will have access to all of the others' proprietary technologies and competitively sensitive information

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17. Fred Sanders, an American, works as a manager at his firm's headquarters in New York. He recently learned that he has been assigned to manage the firm's subsidiary office in Tokyo, and he will be relocating to Japan within the next six weeks. Which of the following staffing approaches is being employed in this scenario?
- A. Global staffing approach
 - B. Polycentric staffing approach
 - C. Regiocentric staffing approach
 - D. Ethnocentric staffing approach
18. A global staffing policy _____.
A. avoids recruiting third-country nationals
B. relies primarily on local managers to fill key managerial positions abroad
C. provides a greater pool of qualified and willing applicants from which to choose
D. is overly in favor of filling key managerial positions with people from headquarters
19. _____ are managers with global experience who are transferred to the organization's headquarters country, so their overseas business and cultural experience and contacts can facilitate interactions among the country's far-flung operations.
A. Inpatriates
B. Repatriates
C. Host-country nationals
D. Third-country nationals
20. Which of the following is the LEAST critical area of expatriate preparation?
A. Cultural training
B. Technical training
C. Language instruction
D. Familiarity with everyday matters

Continued.....

SECTION B (60 Marks)

Answer any THREE (3) questions.

Write your answers in the answer booklet provided. All questions carry equal marks.

1. a. What are some of the negative effects of financial globalization on the world economy? What actions have governments taken to offset these negative effects?
(10 marks)
- b. What are micropolitical and macropolitical risk events? What are the effects of both these types of political risks events on international business?
(10 marks)
[20 marks]
2. a. Describe the FIVE (5) dimensions of culture proposed by Hofstede. What are the managerial implications of these dimensions?
(10 marks)
- b. Describe the different legal issues with regards to the use of the Internet in different countries. How do these legal issues influence international management practices of MNCs?
(10 marks)
[20 marks]
3. a. Discuss the stages in the negotiation process and explain how culturally-based value systems influence these stages.
(10 marks)
- b. Discuss the relative use of nonverbal behaviors, such as silent periods, interruptions, facial gazing, and touching by people from various cultural backgrounds. How does this affect the negotiation process in a cross-cultural context?
(10 marks)
[20 marks]
4. a. Discuss the reasons that companies embark on cross-border strategic alliances. What other motivations may prompt such alliances?
(10 marks)
- b. What are some of the complexities of managing and implementing a global alliance? How can e-commerce enablers assist the process via outsourcing?
(10 marks)
[20 marks]

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5. a. What are the different stages of culture shock as described by Oberg?
(10 marks)
- b. Describe Tung's five training techniques for assisting expatriates in the adjustment process. How can training be integrated with global orientation?
(10 marks)
[20 marks]

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